

**MINUTES OF THE  
UTAH INTERNATIONAL RELATIONS AND TRADE COMMISSION**

Tuesday, October 23, 2012 – 9:00 a.m. – Room 445 State Capitol

**Members Present:**

Sen. Mark B. Madsen, Chair  
Rep. Eric K. Hutchings, Chair  
Sen. Patricia W. Jones  
Sen. Peter C. Knudson  
Rep. Keith Grover  
Rep. Lynn N. Hemingway  
Rep. Christopher N. Herrod  
Mr. Brian Farr  
Mr. Brett W. Heimburger

**Members Absent:**

Rep. Janice M. Fisher

**Staff Present:**

Mr. Richard C. North, Policy Analyst  
Mr. Peter Asplund, Associate General Counsel  
Ms. Debra Hale, Legislative Secretary

**Note:** A list of others present, a copy of related materials, and an audio recording of the meeting can be found at [www.le.utah.gov](http://www.le.utah.gov).

**1. Commission Business**

Chair Hutchings called the meeting to order at 9:22 a.m. Rep. Fisher was excused from the meeting.

**MOTION:** Rep. Hemingway moved to approve the minutes of the June 19, 2012, meeting. The motion passed unanimously. Sen. Madsen and Rep. Grover were absent for the vote.

**2. International Trade Representatives**

Mr. Gary R. Harter, Managing Director, Business Creation, Governor's Office of Economic Development (GOED), spoke of the International Summit held yesterday in Salt Lake City regarding global business. He introduced several of the international Utah trade representatives who were participants at the summit and who spoke to the commission:

1) Mr. Frederic de Pryck, Europe, answered questions and discussed international trade issues with the commission;

2) Ms. Guadalupe de Escalante, Mexico, informed the commission that Mexico is the tenth strongest international trade country in the world and that the U.S. reported its highest exports for August were to Mexico. She urged Utah to bring its business to Mexico but noted that property rights in Mexico are protected, and those who visit must take time to register. She indicated that companies must tailor-make their products to be successful in Mexico, and then answered questions from the commission;

3) Ms. Cynthia Chen, China, stressed that both government and business relationships are important for business to be successful in China. She informed the commission that trademarks, patents, and copyrights are acquired from different agencies within the country. Ms. Chen then answered questions from the commission;

4) Ms. Elizabeth Goryunova, Executive Vice President and Chief Operating Officer, World Trade Center (WTC) Utah, reminded the committee that they have several tools available for facilitating international

trade and, in addition to WTC, they also have a world bank liaison, which is helpful to businesses interested in doing business abroad;

5) Ms. Maria Ester Laso, Chili, reported that Utah business people are considered honest and dependable in her country and that Chile's president and ambassador have visited the state. She stressed that Chile is the springboard for Latin American business, and mining and copper are the main exports of Chile;

6) Mr. Kojiro Abe, Japan, stated that Utah coal is an important export for Japan, but Washington and California have closed their ports to it. He stressed that life science and health care businesses from Utah are important in Japan; and

7) Ms. Hyun-Sook Kim, South Korea, stated that Utah can export duty free, and that she is proud to be the state's trade representative and assist Utah in promoting its business in her country.

Mr. David Clark, former Utah State Representative, also stressed the importance of business relationships and the need for a larger budget to support the growth of international trade in Utah.

Mr. Brett Heimbürger, Regional Director-Asia, International Trade and Diplomacy Office, spoke of sponsors and Small Business Administration grants to promote trade and exports. He informed the commission that last month the Chinese ministry visited Utah. He addressed issues with patents, trademarks, and copyrights, and the need to improve visibility, communication, and respect with less bureaucracy. Mr. Heimbürger discussed problems with VISA issues and the trade process in other countries and how beneficial it is that Utah have a proactive, not a reactive process to generate international business.

Chair Hutchings spoke of the need for additional trade representatives to meet the state's goal to double its exports. He strongly encouraged Mr. Harter to provide the commission with budget recommendations for the 2013 General Session.

Mr. Franz Kolb, Director - Europe, Middle East, Africa, and India, Governor's International Trade and Diplomacy Office, addressed licensing issues and the need to bring in representatives from other countries for face-to-face dialogue on business exports.

### **3. How Does Utah Create A One-Stop Shop for Businesses Who Want to Export?**

Mr. Lew Cramer, President and CEO, WTC Utah, noted that only 1% of Utah businesses are exporters and that other businesses need to be aware of international export opportunities. He continued by stating that export opportunities represent new money available from outside of the state. He stressed his concern that, even with \$19 billion of exports and an equivalent amount of imports for the state, only 5% of Utahns even realize the influence of international business on the state.

Mr. Kolb stressed the need to assess businesses, streamline the process, work together, and provide lists of resources for business exports. He suggested the formation of a subcommittee and spoke of the Utah World Trade Directory that illustrates how the WTC and the Governor's Office of Economic Development focus on the strengths of each other and network to open economic doors and 'close the deal'.

Mr. Heimbürger suggested that STEP Grant funding would help meet those business export needs. (The STEP Initiative is to increase the number of small businesses that are exporting and increase the value of exports for those small businesses that are currently exporting.) Mr. Heimbürger expressed concern in the event this funding was decreased or eliminated.

Mr. Joseph Brubaker, Associate General Counsel, Kirton McConkie, suggested allowing the application of Utah law in contracts to adapt uniform law created by the United Nations.

#### **4. Intellectual Property: Copyrights, Trademarks, Patents, and Trade Secrets**

Mr. Asplund presented an “Intellectual Property Primer” and informed the commission of the statutory and judicial protection regarding trade secrets. He informed the committee that patents and copyrights can be registered federally, but trade secrets are generally governed by state law. He indicated that, while trade secret protection can last indefinitely, patent protection only provides protection for a finite time period. He concluded that effort is needed to develop international protection of trade secrets.

Chair Hutchings recommended that the commission review Mr. Asplund’s handout.

**MOTION:** Sen. Madsen moved that the commission open a bill file to address trade secrets and intellectual property and amend existing law. The motion passed unanimously. Sen. Jones and Rep. Grover were absent for the vote.

#### **5. Utah's Latin American Trade Strategy**

Mr. Harvey Scott, Regional Director - The Americas, International Trade and Diplomacy Office, referring to his visual presentation “Sales, Strategy & Success in Latin America,” illustrated the need Utah has for trade representatives for the country of Brazil and recommended an advisory council be formed. He suggested fellowship programs and commented on the impact visits to Utah have on international visitors.

Chair Hutchings complimented the speakers on the data they provided to highlight the need for funding by the Legislature and stressed the need for creative new ways to change the international business playing field.

#### **7. Other Items / Adjourn**

Ms. Goryunova invited the commission to an event that will take place October 25, 2012, beginning at 8:00 a.m., at the Salt Lake Chamber offices. She said it will be attended by the president of Turkey.

Invitations were distributed for the “First Annual Economic Development Legislative Day 2012” to be held Thursday, November 15, from 1:00 to 3:00 p.m.

Chair Hutchings adjourned the meeting at 12:40 p.m.